

The Board and CEO of myFC Holding AB (publ) hereby present the

## Annual Report for the 2017 financial year

The Annual Report is presented in Swedish kronor, SEK thousands

### Directors' Report

The Board and CEO of myFC Holding AB (publ), registered office in Stockholm, hereby present the annual accounts and consolidated financial statements for the 2017 financial year.

#### The business

MyFC is the world's leading manufacturer of micro fuel cells that extend the operating time of portable electronics in the power range of 2–25 watts, and in our development project on range extenders (LAMINA REX) for the automotive industry up to several thousand watts. What distinguishes us from our competitors is the combination of our proprietary unique fuel cell and our likewise proprietary highly efficient liquid fuel based on water, salt and reaction components. We use hydrogen in the fuel cell created by our fuel mix, the only form of energy that does not produce carbon dioxide on combustion. This property will become an increasingly important global competitive advantage in the face of ever-increasing requirements from authorities and consumers for a lower carbon footprint, whether energy is to be used for consumer electronics or in the transport sector.

#### Shares and ownership structure

myFC Holding (publ) shares were admitted to trading on NASDAQ First North Stockholm on 27 May 2014. The Company's principal shareholders are Avanza Pension and Handelsbanken Fonder. myFC's share capital amounts to SEK 2,027,969 and comprises 34,678,269 shares with a par value of SEK 0.06.

#### Significant events during the financial year

In 2017, the Company continued to develop its products. The breakthrough of the LAMINA™ fuel cell, the world's thinnest fuel cell, at the beginning of the year was an important step that attracted much attention.

The Company's first power bank in the JAQ series, JAQ 1.0, was ready for delivery to the customer Telling Communication in China during the first quarter. Even though the delivery was small, 1,000 JAQ 1.0 and fuel cards, it was important, as it was the first delivery under the framework agreement with Telling encompassing 400,000 JAQ systems.

Jörgen Lantto was elected to the Board at an extraordinary general meeting in January 2017. Jörgen's knowledge and experience will be an important part of the Company's continuing expansion.

At the beginning of 2017, myFC decided to initiate the development of a hybrid version of the Company's JAQ power bank, JAQ Hybrid. JAQ Hybrid combines the benefits of the Company's fuel cell technology and batteries. The concept was presented at the end of June, and JAQ Hybrid IEC was certified and ready for delivery in December 2017.

In the second quarter of 2017, Handelsbanken Fonder decided to invest in myFC, and a private placement, directed mainly towards Handelsbanken Fonder, was implemented at the end of the second quarter. Handelsbanken Fonder also invested in myFC later in 2017 and had just over 1.8 million shares in myFC, corresponding to 5.4% of the Company, at the end of the year.

Another institutional investor, UK company Signal Special Opportunities, acquired 952,000 shares in myFC in an issue in September. Signal owned 2.8% of myFC at the end of the year.

In 2017, myFC received a total of SEK 117 million from different investors

In December 2017, myFC announced that JAQ Hybrid was ready for delivery. Unfortunately, the Company's Chinese customer Telling Communication was not ready to place the first planned JAQ Hybrid order at that time. This meant that our first delivery of JAQ Hybrid was postponed until 2018.

In December, a preliminary study was also launched with a leading Chinese smartphone manufacturer regarding integration of myFC's fuel cell technology into smartphones.

In 2017, myFC strengthened its patent protection with further patent approvals in a number of countries, including Canada, Sweden, Europe and India.

## Financial performance

### Sales and earnings

Net sales for the period 1 January – 31 December 2017 amounted to SEK 0.3 (0.3) million. The low figure is due to the fact that sales of JAQ Hybrid did not materialise as planned in the fourth quarter of 2017. Sales for 2017 are mainly attributed to Telling Communication's purchase of JAQ 1.0 in the first quarter of 2017.

Operating expenses for 2017 were SEK -71.7 (-38.2) million. During the year, the Company's work focused on completing the JAQ and JAQ Hybrid power banks with the associated fuel. The project on range extenders for electric vehicles, LAMINA REX, was also initiated in 2017. These investments have required significant resources and costs have therefore increased in 2017 compared with 2016.

- Other external expenses have increased by SEK 16.7 million from 2017, largely due to the fact that we are still expensing the entire LAMINA REX project. In addition, we have almost doubled the number of consultants and permanent staff, which means increased costs in terms of premises, IT, travel etc.
- The number of permanent employees has increased by 7 individuals (50%) in 2017, which explains the increase in personnel expenses.
- Depreciation has more than doubled compared with 2016. The increase is partly due to the fact that we have initiated depreciation for a large project, and partly due to an adjustment of the depreciation plan to better suit our business and to coincide with a number of old projects being fully depreciated.
- MyFC's share of the operations in China, conducted with our partner Novel Unicorn, amounted to just over SEK -3 million in 2017.

The Company's operating profit/loss for the year was SEK -68.4 (-31.0) million, with the difference between 2016 and 2017 mainly due to increased costs as described above.

### Financial position

The Company's current assets at the end of the year amounted to SEK 45.9 (12.8) million. A significant proportion was attributable to cash and cash equivalents of SEK 31.3 (8.8) million, and also an advance of SEK 9.0 (0) million to a strategic supplier. Current liabilities amounted to SEK 21.9 (11.1) million at the end of the year. The largest single item was trade payables of SEK 15.8 (0.8) million, of which approximately SEK 10 million was paid early in January 2018.

Cash flow during the year was SEK 22.5 (4.2) million. Cash flow from operating activities for the full year was negative and amounted to SEK -45.2 (-32.2) million. In 2017, the Company raised SEK 117.5 million through issues.

The Group's intangible assets are divided into different development projects on which the Company is working or has worked, the Group's patent portfolio of just under 90 patents and patent applications, trademarks and know-how. This may apply, for example, to the development of fuel cells, chargers, fuel and various applications in which the different components are included.

The Board of Directors regularly reviews the financial needs and financial position of the Company and the Group. Should a need for further capital contributions arise, it is the Board's assessment that the Company has good potential for securing future funding. The Board considers that, at present, the Company has secured funding for the next 12 months.

The equity/assets ratio at 31 December 2017 was 85.3 (87.1) percent.

### Investments

Investments during the year amounted to SEK 40.2 (19.4) million, distributed as follows: intangible assets, SEK 29.4 million, property, plant and equipment, SEK 2.5 million, and associates, SEK 8.3 million. Investments in intangible assets are mainly related to development of the JAQ Hybrid product and the new fuel but are also related to patents and trademarks. Investments in property, plant and equipment are mainly related to production equipment and R & D equipment.

### Research and development

In 2017, myFC primarily worked on four different projects:

- Completion of the Company's JAQ 1.0 power bank and associated fuel cards.
- Development and completion of the Company's JAQ Hybrid power bank and associated fuel cards.
- Development of range extenders for electric vehicles where fuel cells and battery co-exist (LAMINA REX).
- Integration of myFC's technology into smartphones.

### Employees

The number of employees in the Group at the end of the period was 19 (12).

### Parent Company

myFC Holding AB is the Group's Parent Company. Since 2015, Group management have been employees of myFC Holding AB. Other activities managed by the Parent Company mainly include owner issues and raising capital for the Group.

### Outlook

In 2018, it is the Company's aim to start sales and production of JAQ Hybrid with associated fuel cards. The Company will continue the work on LAMINA REX, and the integration of myFC's technology into smartphones, including collaboration with a leading Chinese smartphone manufacturer.

### Significant events after the end of the financial year

In January 2018, myFC conducted a private placement directed towards Skandia Fonder and Handelsbanken Fonder totalling approximately SEK 50 million. The proceeds will be used to conduct myFC's development projects and commercialisation.

In February 2018, myFC received its first commercial order for JAQ Hybrid. This was from the Chinese e-commerce company Huangdou, which placed a first order of 500 units. The units were delivered to the customer at the end of March.

Two new patents were granted in Sweden. The patents are for selected parts of myFC's unique and proprietary fuel. The two solutions control and steer the chemical reaction, which in turn makes it possible to handle, certify and transport the fuel in a simple and efficient manner.

In March 2018, myFC announced that the Company was strengthening its organisation with Sebastian Weber. In his role of Chief Technology Integration Officer, Sebastian will have main responsibility for one of the Company's four core areas: full integration of myFC's technology into smartphones with the main establishment in the Malmö region.

### Significant risks and uncertainties

#### Financial risks

The most significant risks of errors in financial reporting are mainly related to the carrying amounts of intangible assets. If the fair values of these assets were to differ from their carrying amounts, this could lead to impairment, which would have negative effects on the Company's earnings and financial position.

At 31 December 2017, the assessment is that the carrying amounts of these items are not lower than their fair values.

In the course of its operations, myFC is exposed to various types of financial risks, such as interest rate risk, currency risk, price risk, credit risk, funding risk and liquidity risk. myFC's financial risks are considered to consist mainly of funding risk, liquidity risk and currency risk.

#### Funding risk and credit risk

Funding risk is the risk of the refinancing of maturing borrowings becoming difficult or more expensive, leaving the Group with difficulty in discharging its payment obligations. Liquidity risk is the risk of being unable to discharge payment obligations when they are due. As the Company does not yet generate a positive cash flow, it is dependent on external funding. If additional external capital has to be obtained by means of a share issue, existing shareholders could be diluted. Failure to generate satisfactory profit or to resolve funding requirements that arise could, in the worst case, lead to a corporate reconstruction, bankruptcy or other discontinuation of the Company.

myFC operates in a global market with a significant proportion of sales and purchasing in currencies other than SEK. Sales and purchases of raw materials are conducted mainly in USD and EUR, but also in other currencies. The Group's purchasing of services is conducted in SEK and other currencies. Changes in the value of SEK in relation to other currencies could consequently have both positive and negative effects on the Company's earnings and financial position.

### Proposed appropriation of profits

The following amounts are at the disposal of the AGM (SEK thousands)

Retained earnings	337,407
Share premium reserve	-10,308
Loss for the year	-11,342
<b>Total</b>	<b>315,757</b>

The Board proposes that the profits be appropriated as follows:

Carried forward	315,757
<b>Total</b>	<b>315,757</b>

## Corporate Governance

myFC Holding AB is a Swedish public limited company listed on NASDAQ First North Stockholm since 27 May 2014. The Company is a public limited company, regulated by Swedish legislation, primarily the Swedish Companies Act and the Annual Accounts Act. Additional rules and recommendations on corporate governance are provided principally in stock exchange regulations, the Swedish Corporate Governance Code and in statements by the Swedish Securities Council. In addition to legislation, rules and recommendations, the Company's Articles of Association provide a basis for governance of the Company's operations. The Code does not currently need to be applied by companies whose shares are listed on First North. It is therefore not mandatory for myFC, and the Board does not currently have any plans to apply it other than in aspects the Board deems relevant to the Company and its shareholders.

### Shareholders

At the end of the year, myFC's share capital amounted to SEK 2,027,969, divided into 34,678,269 shares (par value SEK 0.06). All shares entitle holders to one vote per share. The number of shareholders at 31 December 2017 was 11,660.

### Annual General Meeting

The AGM shall be held within six months of the end of the financial year. All shareholders who are recorded in the share register and notify the Company of their intention to attend before the deadline are entitled to participate in the AGM. The 2017 AGM was held on 22 May in Stockholm. The AGM's resolutions included the election and remuneration of the Board and auditor, and the authorisation of a new share issue.

### Nomination Committee

At the 2016 AGM, myFC adopted principles for the appointment of a Nomination Committee. The Nomination Committee shall consist of representatives of the three largest shareholders in the Company, in terms of votes, on the last business day of September. If any of the three largest shareholders waive their right to appoint a member to the Nomination Committee, the next shareholder in order of size is asked to appoint a member. The Nomination Committee may decide to appoint or co-opt an additional owner representative or representative of a group of large shareholders to the Nomination Committee. If an appointed member leaves the Nomination Committee, or the owner represented by the member significantly reduces its shareholding in the Company, the Nomination Committee may invite another shareholder to appoint a member as a replacement. No fee shall be paid to members for their Nomination Committee work. However, members of the Nomination Committee shall be reimbursed by the Company for reasonable expenses and costs deemed necessary for the work of the Nomination Committee. The Nomination Committee shall prepare proposals on the following matters for approval at the AGM:

- proposed Board members
- proposed Chairman of the Board
- proposed Board fees divided between the Chairman and other Board members, and any remuneration for committee work
- proposed auditors
- proposed fees to the Company's auditor
- any proposed changes to the Nomination Committee appointment procedure

The Nomination Committee for the 2018 AGM consists of:

- Carl Palmstierna – representing Palmstierna Invest
- Malin Björkmo – representing Handelsbanken Fonder.
- Annelie Enquist – representing Skandia Fonder

### The Board and its work

According to the Articles of Association, myFC's Board shall consist of a minimum of three and a maximum of eight members with no deputies. During the period from the 2017 AGM, the Board has consisted of four members, with Carl Palmstierna as Chairman. All Board members are independent of both the Company and its management. All Board members are independent of large shareholders/stakeholders.

### Rules of procedure

In accordance with the Swedish Companies Act, the Board has established written rules of procedure for its work and written instructions on reporting to the Board. Both the rules of procedure and the reporting instructions are evaluated, updated as necessary and determined annually. The rules of procedure show any division of work between Board members. If the Board establishes committees from among its members, it shall state what duties and what decision-making powers it has delegated to such committees, and how they are to report to the Board. The Board holds meetings regularly in accordance with a schedule established in the rules of procedure, including fixed decision items and other items as necessary. The Board also holds additional meetings as required and at the request of Board members or the CEO. The reporting instructions set out when and how the information required for the Board's ongoing assessment of the financial position of the Company and Group is to be collected and reported to the Board. The reporting instructions provide the Board with support for monitoring plans, budgets etc. According to the current rules of procedure, the Board shall meet on at least 4 planned occasions during the financial year following the statutory meeting after the AGM.

### The Board's work in 2017

In 2017, the Board held 23 minuted meetings. The Board's work follows rules of procedure established annually at the statutory meeting. Each ordinary Board meeting deals with the minutes of the previous meeting, the performance of the business since the last meeting, and the Company's financial position and earnings development. The Board is kept continuously informed through written information about business operations and external issues that are of significance to the Company. In 2017, the Board paid particular attention to the following issues:

- Development of the JAQ Hybrid system
- Development work on range extenders for electric vehicles, LAMINA REX
- Capitalisation of the Company

### Evaluation of the Board's work

The Chairman of the Board is responsible for evaluation of the work of the Board. The evaluation is performed annually. The assessment focuses on matters such as the Board's working practices, the number of meetings and efficiency, preparation time, available specific expertise and the ability of individual Board members to influence the work of the Board.

### Remuneration Committee

The Board of Directors has appointed a Remuneration Committee from among its members to serve until the 2018 AGM. The Committee consists of Carl Palmstierna (Chairman) and Lars Gullikson (Board member). The Remuneration Committee's main duties are to negotiate employment and salary terms with the CEO and other senior executives.

### Auditor

myFC's auditor is the auditing firm Öhrlings PricewaterhouseCoopers AB, with authorised public accountant Magnus Lagerberg as chief auditor.

### CEO and management

myFC's management consists of the CEO, the CFO, the Chief Purchasing Officer, the Chief Product Officer and the Sales and Marketing Director. The CEO is responsible for the day-to-day operations of the Company, preparing and implementing strategies, organisational issues and monitoring financial performance. Measures which, in terms of the scope and nature of the Company's operations, are unusual or significant fall outside the remit of day-to-day management and should therefore be prepared and reported to the Board for a decision. The CEO's duties and role, and the division of work between the Board and the CEO, are set out in more detail in a written instruction established by the Board (the CEO Instruction). The CEO prepares the notice convening meetings and proposed agendas with the Chairman of the Board, produces the necessary decision-support material and participates in Board meetings.

### Remuneration of the Board and senior executives

Remuneration of senior executives may consist of fixed salary, variable salary, pension benefits and other benefits and termination conditions. Salaries and other employment benefits for senior executives are deemed to be on market terms and are based on the significance of duties, required expertise, experience and performance.

#### Fixed salary

Basic salary should be based on market conditions, be competitive, and take account of the scope and responsibility associated with the position, and the senior executive's skill, experience and performance.

#### Variable salary

Variable salary may be paid to employees based on the achievement of their own performance criteria. The Remuneration Committee approves the variable salary of the CEO and senior executives. For other employees the Remuneration Committee is only involved if such remuneration exceeds SEK 50,000 per employee per year.

#### Pension terms and conditions

The retirement age is 67. Pension terms include a defined plan for provisions with premiums based on contracted-out salary as agreed and/or the agreed pension premium.

#### Termination benefits

Notice periods and severance pay vary from individual to individual and are governed by the employment contract. In the event of notice of termination of employment by the Company, Björn Westerholm, Ulf Henning and Michael Glantz have a six (6) months' notice period. Torbjörn Möller has a nine (9) months' notice period and Max Rydahl a three (3) months' notice period. Björn Westerholm is entitled to severance pay corresponding to three (3) months' salary. In addition, employees and consultants have acquired warrants related to shares in the Company as a result of the implementation of an incentive scheme (see below).

#### Remuneration of the CEO and senior executives

Remuneration of senior executives is based on market terms. In 2017, CEO Björn Westerholm received remuneration of SEK 4,567 (2,594) thousand, including basic salary, variable remuneration and pension costs. The corresponding remuneration for other senior executives was SEK 2,650 (2,233) thousand.

#### Remuneration of the Board in 2017

The fees determined for the Board in 2017 totalled SEK 450,000, divided among the Board as shown in the table below. In addition to his Board duties, Jörgen Lantto has also provided consultancy services. These amount to SEK 225,736, including travel expenses, and have been invoiced to the Company.

Name	Year elected	Independent of the Company	Independent of major shareholders	Fee adopted by AGM, SEK	Attendance at meetings
Carl Palmstierna	2006*	Yes	Yes	150,000	22
Lars Gullikson	2013*	Yes	Yes	100,000	23
Susanne Holmström	2014	Yes	Yes	100,000	23
Jörgen Lantto	2017	Yes	Yes	100,000	23

\*Date of election to Board of myFC AB which was absorbed into myFC Holding AB in 2014.

#### Auditors' fees

Remuneration of myFC's auditors is paid on approved account. Auditors' fees of SEK 350 (463) thousand were paid to PricewaterhouseCoopers AB in 2017.

#### Internal control

The Board is responsible for ensuring that the Company has good internal control and formalised procedures for achieving compliance with established financial reporting and internal control policies and that the Company's financial statements are prepared in accordance with legal requirements, applicable accounting standards and other requirements for listed companies. The Company's internal control structure is based on the division of work between the Board and the CEO. Through the CFO, the CEO shall ensure that Board members receive specific monthly financial reports and are otherwise provided with the information needed to monitor the Company's financial position.

#### Incentive schemes

At the end 2017, the Company had two incentive schemes for personnel in the Company.

The first incentive scheme is a warrant programme adopted by the EGM on 8 November 2016. The Meeting adopted the introduction of an option programme involving the issue of up to 3,472,855 warrants. Each warrant entitles the holder to subscribe for one share at a price corresponding to 250 percent of the volume-weighted listed price of the Company's share on First North during the period 25 October – 8 November 2016. The share issue is directed to a subsidiary of myFC Holding AB. The subsidiary will allot the warrants to certain existing and future senior executives and other key personnel at a market price based on the Black & Scholes option valuation formula. The warrants can be exercised during the period 1 May – 31 May 2018.

The second incentive scheme is also a warrant programme, adopted by the EGM on 22 May 2016. The Meeting adopted the introduction of an option programme involving the issue of up to 2,250,000 warrants. Each warrant entitles the holder to subscribe for one share at a price corresponding to 200 percent of the volume-weighted listed price of the Company's share on First North during the period 1 July – 31 July 2017. The share issue is directed to a subsidiary of myFC Holding AB. The subsidiary will allot the warrants to certain existing and future senior executives and other key personnel at a market price based on the Black & Scholes option valuation formula. The warrants can be exercised during the period 15 February 2020 – 15 March 2020.

In the event of full exercise of the warrants, the two incentive schemes could result in a dilutive effect of up to approximately 14.1 percent of share capital and votes (percentage based on the number of shares and votes in December 2017 and the highest number of shares and votes that may be issued divided by the total number of shares and votes after such issue).

	Number of warrants, 31 Dec 2016	Final subscription date	Exercise price per share	Maximum dilution, 31 Dec 2016
Incentive scheme 1	3,472 855	31 May 2018	SEK 19.72	9.10%
Incentive scheme 2	2,250,000	15 March 2020	SEK 53.97	6.09%
Maximum dilution for all incentive schemes	5,722,855			14.17%

#### Warrants

In 2016, the Company issued 2,733,341 warrants to be used as payment to Novel Unicorn Ltd for the cooperation agreement entered into by the parties earlier in 2016. The warrants will be utilised if Novel Unicorn Ltd meets the milestones specified in the agreement. Each warrant entitles the holder to subscribe for one share in the Company at the share's par value. At 31 December 2017, 1,956,057 of these warrants had been utilised by Novel Unicorn.

## Consolidated income statement

<i>SEK thousands</i>			
	Note	2017	2016
<b>Operating income</b>			
Net sales	3	337	335
Capitalised work for own account		2,978	3,447
Other operating income			3,490
<b>Total operating income</b>		<b>3,315</b>	<b>7,272</b>
<b>Operating expenses</b>			
Raw materials, consumables and merchandise		-1,781	-1,014
Other external expenses	5	-30,368	-13,651
Personnel expenses	4	-18,825	-15,383
Depreciation/amortisation	6	-17,656	-8,194
Share of associates' profit/loss after tax		-3,000	-
Other operating expenses		-56	0
<b>Total operating expenses</b>		<b>-71,686</b>	<b>-38,242</b>
<b>Operating profit/loss</b>		<b>-68,371</b>	<b>-30,970</b>
<b>Profit/loss from financial items</b>			
Net financial items	7.8	-598	-509
<b>Profit/loss after financial items</b>		<b>-68,969</b>	<b>-31,479</b>
Tax	9	-	-
<b>Profit/loss for the period</b>		<b>-68,969</b>	<b>-31,479</b>
<b>Earnings per share</b>			
basic (SEK)		-2.25	-1.33
diluted (SEK)		n.a.	n.a.
Average number of outstanding shares at the end of the reporting period before dilution (thousands)			
		30,633	23,674

## Consolidated balance sheet

<i>SEK thousands</i>	Note	31 Dec 2017	31 Dec 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	10	93,749	76,932
Property, plant and equipment	11	3,483	2,927
Investments in associates	21	5,331	0
<b>Total non-current assets</b>		<b>102,563</b>	<b>79,859</b>
<b>Current assets</b>			
Inventories		0	268
Trade receivables		218	63
Prepayments and accrued income	13	1,265	982
Advances to suppliers		8,984	0
Other receivables		4,143	2,655
Cash and cash equivalents		31,276	8,825
<b>Total current assets</b>		<b>45,886</b>	<b>12,793</b>
<b>Total assets</b>		<b>148,449</b>	<b>92,652</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	14	2,028	1,528
Other paid-in capital		377,208	261,469
Retained earnings		-183,686	-150,854
Loss for the period		-68,969	-31,479
<b>Total equity</b>		<b>126,580</b>	<b>80,664</b>
<b>Non-current liabilities</b>			
Other non-current liabilities	15	0	926
<b>Total non-current liabilities</b>		<b>0</b>	<b>926</b>
<b>Current liabilities</b>			
Liabilities to credit institutions		926	1,111
Overdraft facilities	17	0	5,943
Trade payables		15,826	822
Current tax liability		25	0
Other liabilities		594	72
Accruals and deferred income	16	4,498	2,464
<b>Total current liabilities</b>		<b>21,869</b>	<b>11,062</b>
<b>Total equity and liabilities</b>		<b>148,449</b>	<b>92,652</b>

## Consolidated statement of changes in equity

<i>SEK thousands</i>	Share capital	Other paid-in capital	Other equity including profit/loss for the year	Profit/loss for the year	Total equity
<b>31 Dec 2016</b>	<b>1,528</b>	<b>261,470</b>	<b>-150,854</b>	<b>-31,479</b>	<b>80,664</b>
Appropriation according to AGM			-31,479	31,479	0
Cash new share issue	242	79,168			79,411
New issue through warrants	195	24,373			24,568
Offset issue, loans	53	12,189			12,243
Issue cost		-3,214			-3,214
Warrants		384			384
<b>Exercise of warrants in myFC AB</b>					
Non-cash issue to minority	9	2,837	-1,353		1,493
Profit/loss for the period				-68,969	-68,969
<b>31 Dec 2017</b>	<b>2,028</b>	<b>377,208</b>	<b>-183,686</b>	<b>-68,969</b>	<b>126,580</b>

## Consolidated of cash flow statement

<i>SEK thousands</i>	Note	2017	2016
<b>Operating activities</b>			
Profit/loss before financial items		-68,371	-30,970
Adjustment for non-cash items	18	20,656	8,193
Interest paid		-598	-509
Income tax paid		25	194
<b>Cash flow from operating activities before changes in working capital</b>		<b>-48,288</b>	<b>-23,092</b>
Increase (-)/decrease (+) in operating receivables		-10,643	421
Increase (+)/decrease (-) in operating liabilities		16,725	-9,567
Cash flow from changes in working capital		6,082	-9146
<b>Cash flow from operating activities</b>		<b>-42,206</b>	<b>-32,238</b>
<b>Investing activities</b>			
Acquisition of intangible assets		-32,372	-19,209
Acquisition of property, plant and equipment		-2,472	-194
Investments in associates		-8,331	0
<b>Cash flow from investing activities</b>		<b>-43,175</b>	<b>-19,403</b>
<b>Financing activities</b>			
New share issue		114,886	53,532
Change in overdraft facilities		-5,943	3,388
Repayment of borrowings		-1,111	-1,111
<b>Cash flow from financing activities</b>		<b>107,832</b>	<b>55,809</b>
<b>Cash flow for the period</b>		<b>22,451</b>	<b>4,168</b>
Cash and cash equivalents at beginning of period		8,825	4,657
<b>Cash and cash equivalents at end of period</b>		<b>31,276</b>	<b>8,825</b>

## Parent Company income statement

<i>SEK thousands</i>	Note	2017	2016
<b>Operating income</b>			
Net sales	3	7,922	4,601
<b>Total operating income</b>		<b>7,922</b>	<b>4,601</b>
<b>Operating expenses</b>			
External expenses	5	-8,121	-2,308
Personnel expenses	4	-10,825	-7,053
<b>Operating profit/loss</b>		<b>-11,024</b>	<b>-4,760</b>
<b>Profit/loss from financial items</b>			
Net financial items	7.8	-318	0
<b>Profit/loss after financial items</b>		<b>-11,342</b>	<b>-4,760</b>
Tax	9	0	0
<b>Profit/loss for the period</b>		<b>-11,342</b>	<b>-4,760</b>

## Parent Company balance sheet

<i>SEK thousands</i>	Note	31 Dec 2017	1 Dec 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	19	194,615	138,484
Investments in associates	20	8,331	0
<b>Total non-current assets</b>		<b>201,594</b>	<b>138,484</b>
<b>Current assets</b>			
Receivables from Group companies		99,533	72,351
Other receivables		2	0
Prepayments and accrued income		136	629
Cash and cash equivalents		21,764	5,314
<b>Total current assets</b>		<b>121,435</b>	<b>78,294</b>
<b>Total assets</b>		<b>323,028</b>	<b>216,778</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
	14		
Share capital		2,028	1,528
Share premium reserve		337,407	223,021
Subscribed capital unpaid		0	0
Retained earnings		-10,308	-5,548
Loss for the period		-11,342	-4,760
<b>Total equity</b>		<b>317,785</b>	<b>214,241</b>
<b>Current liabilities</b>			
Trade payables		1,120	243
Other liabilities		888	522
Accruals and deferred income	16	3,236	1,772
<b>Total current liabilities</b>		<b>5,243</b>	<b>2,537</b>
<b>Total equity and liabilities</b>		<b>323,028</b>	<b>216,778</b>

## Parent Company statement of changes in equity

<i>SEK thousands</i>	Share capital	Other paid-in capital	Other equity including profit/loss for the year	Profit/loss for the year	Total equity
<b>31 Dec 2016</b>	<b>1,528</b>	<b>223,021</b>	<b>-5,548</b>	<b>-4,760</b>	<b>214,241</b>
Profit/loss for previous year brought forward			-4,760	4,760	0
Cash new share issue	242	79,168			79,411
New issue through warrants	195	24,373			24,568
Offset issue, loans	53	12,189			12,243
Issue cost		-3,214			-3,214
Warrants		384			384
<b>Exercise of warrants in myFC AB</b>					
Non-cash issue to minority	9	1,485			1,494
Profit/loss for the period				-11,342	-11,342
<b>31 Dec 2017</b>	<b>2,028</b>	<b>337,407</b>	<b>-10,308</b>	<b>-11,342</b>	<b>317,785</b>

## Key figures

<i>SEK thousands</i>	2017	2016
Net sales SEK thousands	337	303
Operating margin, %	neg	neg
Return on equity, %	neg	neg
Equity per share, SEK	3.7	3.1
Equity/assets ratio, %	85.3	87.1
Number of employees at end of year	19	12

## NOTES

### Note 1 Accounting policies and valuation principles

myFC Holding AB's consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general recommendation BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements (K3).

The Group comprises the limited company myFC Holding AB company, reg. no. 556942-1612, myFC AB, reg. no. 556685-5333 and myFC Option och Kapital AB, reg. no. 556883-7511.

#### Basis of consolidation

The consolidated financial statements are prepared by myFC Holding AB. Subsidiaries are consolidated from the date on which the Group obtains control. They are deconsolidated from the date on which control ceases.

The consolidated financial statements have been prepared in accordance with the acquisition method. The acquisition date is the date on which control is obtained. Identifiable assets and liabilities are initially measured at their acquisition-date fair values. Minority holdings of the acquired net assets are measured at fair value.

Transactions between Group companies are eliminated in full.

The Group does not have subsidiaries in other countries. There is therefore no foreign currency translation of subsidiaries' income statements and balance sheets.

#### Foreign currencies

Monetary asset and liability items in foreign currencies are measured at the closing rate. Foreign currency transactions are translated at the spot rate on the transaction date.

#### Revenue recognition

##### Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred from the seller to the buyer in accordance with the terms of sale. The sale is recognised after deducting VAT and discounts.

#### Other types of income

Interest income is recognised in accordance with the effective interest rate method.

#### Government grants

myFC AB receives government grants which have conditions associated with future performance. These are received in advance and recognised as a liability. The liability is reduced as the conditions attached to the grant are met and Other income is recognised.

A government grant that does not have any future performance requirements attached to it is recognised as Other income when the conditions for receiving the grant are met.

A government grant relating to the acquisition of a non-current asset is recognised in the Group as deferred income. This item is released on a straight-line basis over the useful life of the asset and recognised as income in the item Other income.

#### Income tax

Current tax is measured based on the tax rates and tax rules that apply at the reporting date. Deferred tax is measured based on the tax rates and tax rules enacted before the balance sheet date.

Deferred tax assets relating to loss carryforwards or other future tax deductions are recognised to the extent that it is probable that the amounts can be utilised against future taxable profit.

Receivables and liabilities are recognised on a net basis only where a legal right of offset exists.

Current tax and changes in deferred tax are recognised in the income statement unless the tax is attributable to an event or transaction that is recognised directly in equity. The tax effects of items recognised directly in equity are recognised in equity.

### **Intangible assets**

Intangible assets are recognised at cost less accumulated amortisation and impairment. The capitalisation model is used for internally generated intangible assets.

Amortisation is applied on a straight-line basis over the useful life of the asset starting from completion of the main development work. The amortisation period for capitalised development expenditure is three or ten years. The amortisation period for patents and trademarks is five years.

### **Property, plant and equipment**

Items of property, plant and equipment are recognised at cost less depreciation. Cost includes expenditure directly attributable to the acquisition of the asset.

When a component of property, plant or equipment is replaced, any remaining part of the old component is retired and the cost of the new component is capitalised.

Subsequent costs related to assets not divided into components are added to the cost if they are expected to bring the Company future economic benefits, to the extent that the asset's performance increases in relation to its acquisition-date value.

Ongoing repair and maintenance costs are recognised as an expense.

Property, plant and equipment is depreciated systematically over the estimated useful life of the asset. When the assets' depreciable amounts have been established, the asset's residual value is taken into account where applicable. Straight-line depreciation is used for all types of property, plant and equipment.

The following depreciation periods are applied:

Plant and machinery	5 years
Equipment, tools and fixtures & fittings	5 years

### **Associates**

Associates are entities over which the Group has significant influence but not control. Holdings in associates are normally between 20% and 50% of the votes. Investments in associates are accounted for using the equity method. When applying the equity method, the investment is measured initially at cost and the carrying amount is increased or decreased thereafter to take into account the Group's share of the associate's profit or loss after the acquisition date. The Group's carrying amount for holdings in associates includes goodwill identified on acquisition.

### **Impairment of non-financial assets**

Goodwill testing is carried out if there is an indication that an asset's value has decreased. If the asset's recoverable amount is lower than its carrying amount, it is written down to the recoverable amount. When testing for impairment, assets are allocated to cash-generating units, i.e. the smallest identifiable group of assets generating cash inflows. Assets for which impairment losses have previously been recognised are tested at each reporting date to determine whether there is any need to reverse the previous impairment.

### **Financial instruments**

Financial instruments recognised in the balance sheet include trade and other receivables, short-term investments, trade payables and loan liabilities. The instruments are recognised in the balance sheet when myFC becomes party to the contractual terms of the instrument.

Financial assets are derecognised when the right to receive cash flows from the instrument has expired or been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when the contractual obligation has been discharged or extinguished in some other way.

**Trade and other receivables**

Receivables are recognised as current assets. Receivables are stated at the amount expected to be received less individually estimated bad debts.

**Loan liabilities and trade payables**

Loan liabilities and trade payables are initially recognised at cost less transaction expenses. If the carrying amount is different from the amount due for repayment at the maturity date, the difference is accrued as interest expense over the term of the loan using the instrument's effective rate of interest. This ensures that the carrying amount and the amount due for repayment are the same at the maturity date.

**Offsetting of financial assets and liabilities**

A financial asset and a financial liability may be offset and the net amount presented in the balance sheet only when a legal right of offset exists and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost is established using the first in first out method (FIFO). Under the net realisable method, the value of goods is the estimated selling price, less costs to sell. The chosen valuation method ensures that obsolescence of stock is taken into account.

**Employee benefits****Short-term employee benefits**

Short-term employee benefits in the Group comprise salaries, social security contributions, paid holiday and paid sickness absence. These benefits are recognised as an expense and a liability where there is a legal or constructive obligation to pay a benefit.

**Post-employment benefits**

All pension plans in the Group are defined-contribution plans.

Under defined-contribution plans, the Company pays fixed contributions to another company and has no legal or constructive obligation to pay further contributions, even if the other company is unable to meet its commitments. The expenses are charged to the Group's earnings as the services are rendered by the employees.

**Termination benefits**

Termination benefits are paid when a company within the Group decides to terminate an employee's employment before the normal retirement date or when an employee accepts an offer of voluntary redundancy in exchange for those benefits. If the termination benefits do not provide the company with future economic benefits, a liability and an expense are recognised when the company has a legal or constructive obligation to pay such benefits. The benefits are recognised at the best estimate of the expenditure that would be required to settle the obligation at the reporting date.

**Leases**

Leases in which the economic risks and benefits associated with ownership of the leased object are retained by the lessor are classified as operating leases. Payments, including initial leasing fees, under such leases are recognised as an expense on a straight-line basis over the term of the lease. The Group does not have any finance leases.

**Business areas and geographic markets**

The Group has a business area comprising production, sales and development of a fuel cell concept for portable electronics. The Company's business operations are conducted in three geographic markets: Sweden, the EU and the rest of the world.

**Cash flow statement**

The cash flow statement is prepared using the indirect method. Reported cash flows only concern transactions that involve cash inflows and outflows.

The Company only classifies cash as cash and cash equivalents.

**Note 2 Estimates and judgements**

myFC Holding AB makes estimates and judgements about the future. These result in accounting estimates, which, by definition, rarely correspond with the actual outcome. Estimates and assumptions that involve considerable risk of material adjustments to the carrying amounts of assets and liabilities during the next financial year are generally treated as described below.

**Tax loss carryforwards**

The Group's loss carry-forwards have not been measured and are not recognised as deferred tax assets. These loss carry-forwards are not measured until the Group has established a level of earnings that Company management considers certain to generate taxable profit.

**Intangible assets**

Management continually estimates the value of the Company's intangible assets. Key assumptions for assessing the existence of impairment consist primarily of an estimate of future sales growth and operating margin. If an indication of impairment arises, an impairment test is conducted.

**Measurement of investments in subsidiaries**

Management continually estimates the value of the Parent Company's assets. Key assumptions for assessing the existence of impairment consist primarily of an estimate of future sales growth and operating margin. If an indication of impairment arises, an impairment test is conducted.

**Note 3 Income****Net sales by business area and geographic market****Group**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
Sweden	27	93
Rest of EU	0	224
Rest of the world	310	19
<b>Total</b>	<b>337</b>	<b>336</b>

**Parent Company**

	<b>2017</b>	<b>2016</b>
Intra-Group administration	7,922	4,601
<b>Total</b>	<b>7,922</b>	<b>4,601</b>

**Government grants**

Government grants are reported as liabilities and recognised as revenue over time.

**Note 4 Personnel etc.****Salaries, other benefits and social security contributions****Group**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
<b>Salaries and other benefits</b>		
Board members	459	450
CEOs and other senior executives	6,436	4,562
Other employees	4,307	5,351

**Social security contributions**

Pension expenses, CEOs and other senior executives	781	265
Pension expenses, other employees	254	139
Other contractual and statutory social security contributions	3,808	3,530
Total salaries, other benefits, social security contributions and pension expenses	16,045	14,297

In addition to the costs in the table above, total personnel expenses also include special payroll tax of SEK 251 (98) thousand and other personnel expenses of SEK 2,529 (983) thousand.

### Parent Company

SEK thousands	2017	2016
<b>Salaries and other benefits</b>		
Board members	459	450
CEOs and other senior executives	6,436	4,562
<b>Social security contributions</b>		
	<b>2017</b>	<b>2016</b>
Social security contributions, CEOs and other senior executives	781	265
Other contractual and statutory social security contributions	2,282	1,720
Total salaries, other benefits, social security contributions and pension expenses	9,958	6,732

### Average number of employees

#### Group

Average number of employees	2017			2016		
	Women	Men	Total	Women	Men	Total
	4	9	13	4	10	14
<b>Total</b>	<b>4</b>	<b>9</b>	<b>13</b>	<b>4</b>	<b>10</b>	<b>14</b>

### Parent Company

Average number of employees	2017			2016		
	Women	Men	Total	Women	Men	Total
	1	4	5	0	3	3
<b>Total</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>3</b>

**Board members and senior executives****Group and Parent Company**

Number on reporting date	2017			2016		
	Women	Men	Total	Women	Men	Total
Board members	1	3	4	1	3	4

Number on reporting date	2017			2016		
	Women	Men	Total	Women	Men	Total
CEOs and other senior executives	0	4	4	0	3	3

**Note 5 Auditors' fees**

SEK thousands	Group		Parent Company	
	2017	2016	2017	2016
PwC				
Audit assignment	222	180	177	90
Other auditing assistance	70	62	70	6
Tax advisory services	17	143	17	134
Other services	41	78	41	0
<b>Total</b>	<b>350</b>	<b>463</b>	<b>305</b>	<b>170</b>

**Note 6 Depreciation, amortisation, impairment and reversals**

Depreciation of property, plant and equipment in the Group amounts to SEK 1,916 (1,772) thousand. Amortisation of intangible assets amounts to SEK 12,574 (6,422) thousand. Depreciation and amortisation for the Parent Company amount to SEK 0 (0) thousand.

**Note 7 Other interest and similar income**

SEK thousands	Group		Parent Company	
	2017	2016	2017	2016
Interest	0	1	0	0
<b>Total</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

**Note 8 Interest and similar expenses**

SEK thousands	Group		Parent Company	
	2017	2016	2017	2016
Exchange differences	56	32	46	0
Other interest expenses	598	478	318	0
<b>Total</b>	<b>654</b>	<b>510</b>	<b>364</b>	<b>0</b>

**Note 9 Tax****Reconciliation of effective tax****Group**

SEK thousands	2017		2016	
	Percent	Amount	Percent	Amount
Recognised profit/loss before tax		-65,970		-31,479
Tax calculated using applicable tax rate (22%)	22.00%	14,513	22.00%	6,925
Tax effect of non-deductible expenses	-0.15%	-100	-0.01%	-381
Tax effect of non-taxable income	0.00%	0	0.00%	0
Deductible unrecognised expenses	0.00%	0	0.00%	0
Increase in loss carry-forwards without corresponding increase in capitalised deferred tax				
	-21.85%	-14,413	-20.79%	-6,544
Reported tax expense	0%	0	0%	0

**Reconciliation of effective tax****Parent Company**

SEK thousands	2017		2016	
	Percent	Amount	Percent	Amount
Recognised profit/loss before tax		-11,342		-4,760
Tax calculated using applicable tax rate (22%)	22.00%	2,495	22.00%	1,047
Tax effect of non-deductible expenses	-0.47%	-54	-7.33%	-349
Tax effect of non-taxable income	0.00%	0	0.00%	0

SEK thousands	2017		2016	
	Percent	Amount	Percent	Amount
Deductible unrecognised expenses	0.00%	0	0.00%	0
Increase in loss carry-forwards without corresponding increase in capitalised deferred tax	-21.53%	-2,441	-14.66%	-698
Reported tax expense	0%	0	0%	0

#### Note 10 Intangible assets

##### Capitalised development expenditure

###### Group and Parent Company

SEK thousands	2017	2016
Opening cost	93,225	74,874
Capitalised expenditure for the year, internal development	32,372	18,351
<b>Closing accumulated cost</b>	<b>125,597</b>	<b>93,225</b>
Opening impairment	0	0
Impairment for the year	-3,793	0
<b>Closing accumulated impairment</b>	<b>-3,793</b>	<b>0</b>
Opening amortisation	-17,877	-12,299
Amortisation for the year	-11,755	-5,578
<b>Closing accumulated amortisation</b>	<b>-29,632</b>	<b>-17,877</b>
<b>Closing carrying amount</b>	<b>92,172</b>	<b>75,348</b>

##### Patents, licenses, trademarks, etc.

###### Group and Parent Company

SEK thousands	2017	2016
Opening cost	8,614	7,757
Purchases	813	857

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
<b>Closing accumulated cost</b>	<b>9,427</b>	<b>8,614</b>
Opening impairment	-436	-436
Impairment for the year	0	0
<b>Closing accumulated impairment</b>	<b>-436</b>	<b>-436</b>
Opening amortisation	-6,594	-5,751
Amortisation for the year	-819	-843
<b>Closing accumulated amortisation</b>	<b>-7,413</b>	<b>-6,594</b>
<b>Closing carrying amount</b>	<b>1,578</b>	<b>1,584</b>

#### **Note 11 Property, plant and equipment**

##### **Plant and machinery**

##### **Group and Parent Company**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
Opening cost	5,864	5,817
Purchases	2,472	47
Closing accumulated cost	8,336	5,864
Opening depreciation	-3,770	-2,648
Depreciation for the year	-1,260	-1,122
Closing accumulated depreciation	-5,030	-3,770
<b>Closing carrying amount</b>	<b>3,306</b>	<b>2,094</b>

##### **Equipment**

##### **Group and Parent Company**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
Opening cost	3,329	3,182
Purchases	0	147

Closing accumulated cost	3,329	3,329
Opening depreciation	-2,496	-1,846
Depreciation for the year	-656	-650
Closing accumulated depreciation	-3,152	-2,496
<b>Closing carrying amount</b>	<b>177</b>	<b>833</b>

#### Note 12 Operating leases

	Group		Parent Company	
	2017	2016	2017	2016
Future minimum lease payments				
under non-cancellable leases:				
Due for payment within one year	1,156	1,881	0	0
Due for payment after one year and within five years	8,920	7,526	0	0

In the consolidated financial statements, operating leases essentially consist of rent for premises. The size of future lease payments is based

on consumer price index development and the Company's sales growth.

#### Note 13 Prepayments and accrued income

	Group		Parent Company	
	2017	2016	2017	2016
Prepaid rents	199	574	0	0
Accrued income	0	0	0	600
Other items	1,066	408	136	29
<b>Total</b>	<b>1,265</b>	<b>982</b>	<b>136</b>	<b>629</b>

**Note 14 Equity****Ordinary shares**

<b>Thousands of shares</b>	<b>2017</b>	<b>2016</b>
Issued 1 January	26,146	21,650
Exercise of warrants 11 January 2017	500	
Exercise of warrants 16 January 2016	451	
Exercise of warrants 17 January 2017	500	
Exercise of warrants 23 January 2017	378	
New share issue 24 January 2017	263	
New share issue 8 February 2016		913
Non-cash issue 9 March 2017	157	
Exercise of warrants 19 May 2016		224
New share issue 12 June 2016		870
Offset issue 29 June 2017	914	
New share issue 13 July 2017	2,412	
Exercise of warrants 27 July 2017	1,956	
Exercise of warrants 28 July 2016		203
Exercise of warrants 13 October 2016		13
New share issue 17 October 2017	1,452	
Exercise of warrants 29 October 2016		299
Exercise of warrants 16 December 2016		1,523
Issued 31 December	34,678	26,146
<b>Warrants, external</b>		
<b>Thousands of warrants</b>	<b>2017</b>	<b>2016</b>
Opening balance	2,733	5,524*
Exercised warrants	-1,956**	-5,402*
Expired warrants		-122
Issued warrants		2,733**
Closing balance	777	2,733

\*Warrants that were issued to all shareholders in the Company in December 2014. Two warrants entitle the holder to subscribe for one new share.

\*\*Warrants issued for payment in connection with the cooperation agreement signed with Novel Unicorn in China. As certain defined milestones are achieved, the Company will compensate Novel Unicorn with warrants. Each warrant entitles the holder to subscribe for one share. These options are currently in depot at myFC Option och Kapital AB.

#### Warrants, incentive scheme

Thousands of warrants	2017	2016
Opening balance	3,473	2,443
Exercised warrants		-1,528
Expired warrants		-915
Issued warrants	2,250	3,473
Closing balance	5,723	3,473

79% (77%) of the total number of outstanding warrants relate to holdings of senior executives in the Company.

Each warrant entitles the holder to subscribe for one share.

#### Note 15 Non-current liabilities

SEK thousands	2017			2016		
	1-5 years	After 5 years	Total	1-5 years	After 5 years	Total
Liabilities to credit institutions	0	0	0	926	0	926
Total	0	0	0	926	0	926

#### Note 16 Accruals and deferred income

SEK thousands	Group		Parent Company	
	2017	2016	2017	2016
Holiday pay	1,673	890	1,254	703
Accrued social security contributions	867	667	736	407
Accrued salaries	1,088	591	1,088	591
Other items	575	1,012	347	71
<b>Total</b>	<b>4,203</b>	<b>3,160</b>	<b>3,425</b>	<b>1,772</b>

Government grants are reported as liabilities and recognised as revenue over time. The grants are described in the note on income.

#### **Note 17 Pledged assets**

##### **Group**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
For own liabilities and provisions		
Related to liabilities to credit institutions:		
Floating charges	8,600	8,600
Total for own liabilities and provisions	8,600	8,600
<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
For other commitments		
Bank guarantee	50	50
Patents	64	64
Total for other commitments	64	64
<b>Total pledged assets</b>	<b>8,714</b>	<b>8,714</b>

#### **Note 18 Adjustments for non-cash items etc.**

##### **Group**

<b>SEK thousands</b>	<b>2017</b>	<b>2016</b>
Depreciation	14,490	8,194
Other non-cash items	6,166	-1
<b>Total adjustments</b>	<b>20,656</b>	<b>8,193</b>

**Note 19 Investments in subsidiaries, Parent Company****Investments in subsidiaries, Parent Company**

<b>SEK thousands</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Opening cost	138,484	111,971
Shareholder contributions	56,131	26,513
<b>Closing carrying amount</b>	<b>194,615</b>	<b>138,484</b>

**Holdings of investments in subsidiaries are as follows: 2016**

	<b>Reg. no.</b>	<b>Reg'd office</b>	<b>Share of equity</b>	<b>Votes</b>	<b>Number of shares</b>	<b>Carrying amount</b>
MyFC AB	556685-5333	Sthlm	100%	100%	4,916,759	138,484
MyFC Option och Kapital (indirect)	556883-7511	Sthlm	100%	100%	50,000	50

**Total****Holdings of investments in subsidiaries are as follows: 2017**

	<b>Reg. no.</b>	<b>Reg'd office</b>	<b>Share of equity</b>	<b>Votes</b>	<b>Number of shares</b>	<b>Carrying amount</b>
MyFC AB	556685-5333	Sthlm	100%	100%	5,073,161	194,615
MyFC Option och Kapital (indirect)	556883-7511	Sthlm	100%	100%	50,000	50

**Total****Note 20 Investments in associates**

	<b>Group</b>		<b>Parent Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Opening cost	0	0	0	0
Changes during the year	8,331	0	8,331	0
Share of associates' profit/loss after tax	-3,000	0	0	0
Closing carrying amount	5,331	0	8,331	0

### Holdings of investments in subsidiaries are as follows

Group	Reg. no.	Reg'd office	Share of equity
myFC (Asia) Co. Ltd	2375018	Hong Kong	30%

Parent Company	Share of equity	Votes	Number of shares	Carrying amount SEK thousands 2017	Carrying amount 2016
myFC (Asia) Co. Ltd	30%	30%	46,800	8,331	0

### Note 21 Events after the reporting date

More information about the listed events can be found on the Company's website.

- MyFC participates in CES in Las Vegas and Mobile World Congress in Barcelona
- MyFC predicts that fuel cells will be a real alternative to batteries in energy density and cost in the next few years
- MyFC receives and delivers its first commercial order for JAQ Hybrid
- Three key patents granted in India and Sweden
- MyFC reinforces Group management by appointing Sebastian Weber as Chief Technology Integration Officer
- MyFC proposes a rights issue of SEK 75 million for offensive investments in fuel cell integration and convenes an Extraordinary General Meeting
- Jörgen Lantto is proposed as new Chairman of myFC and Per Svantesson is proposed as a new Board member
- MyFC presents a revised strategy as a result of strategic review

### Note 22 Related party transactions

Bromma Tech Consulting AB has been engaged as strategic consultant. Bromma Tech Consulting invoiced the Group SEK 225,736 in 2017. The owner of Bromma Tech Consulting AB is Jörgen Lantto.

In 2017, the Company engaged Stratena AB, which is owned by a related party of the CEO, to provide HR services. The Company considers the remuneration of SEK 38,400 to be at a market-based level.

MyFC Holding AB invoiced myFC AB management fees of SEK 7,921,850 in 2017.

Stockholm, 28 April 2018

Carl Palmstierna  
Chairman

Lars Gullikson

Susanne Holmström

Jörgen Lantto

Björn Westerholm  
CEO

Our Audit Report was submitted on 4 May 2018.  
Öhrlings PricewaterhouseCoopers AB

Magnus Lagerberg  
Authorised Public Accountant